

# THE TENNESSEE BANKER

MEMBER FEATURE

## Johnny Moore

*Nashville-based*

*Mid-West Tennessee Region president,  
Truist*

AND

## Christian Corts

*Knoxville-based*

*East Tennessee Region president,  
Truist*

PLUS

Q&A with TBA Credit  
Committee chairman  
Joel Beavers

AND

TBA's 2020 Year in Review





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**COLIN BARRETT**  
President/CEO,  
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### THREE THINGS TO DO THIS MONTH

#### 1.

Review the *Professional Development Directory* to schedule your team's educational plan for the year.

#### 2.

Check on the status of your bank's BankPac support by checking with Amy Heaslet at [aheaslet@TNBankers.org](mailto:aheaslet@TNBankers.org).

#### 3.

Make plans to join us for the *Credit Conference* in Nashville on February 11-12. Email Monique White at [mwhite@TNBankers.org](mailto:mwhite@TNBankers.org) for more information.

# Finding gratitude in 2020

**A few years ago, William had a teacher who suggested keeping a "Thankfulness Journal" to all her students.** She wanted her students to think through and write down their blessings from throughout the day. In recent years, studies have been conducted and books written that link the rise of anxiety in our society to our inability to acknowledge gratitude. So, Rachel and I now sit down with William each night to write down three things for which he is thankful. It's a practice that I have found beneficial for myself, especially this year.

For many of us, 2020 isn't a year in which we will look back on fondly. I've found myself worried about the virus and its health impact on family, friends, and colleagues. I've thought often about our economy at large and friends who unexpectedly lost their jobs. And I've been concerned about the future of our country as we grapple with racial, social, and political challenges that have no easy answers.

So, throughout this year, I have made a concentrated effort to spend time each night writing down the times and people for which I am grateful, and I wanted to share that with you.

First, I'm thankful for the time that I have been able to spend with my family. As with many of you, we tend to pack our schedule with school, music lessons, sports, travel, and more. Being forced to stop was difficult, but it allowed our family to focus on our time together. It also allowed us to connect with old friends through Zoom and phone calls who otherwise we might never have connected with again. In a way, it made us slow down and focus on our family's priorities.

I also find myself grateful not only for the role the banking industry plays, but the way bankers care for each other. On countless occasions, bankers stopped what they were doing to assist colleagues across the state, many of whom they had never met. One of my favorite stories is of a bank president in East Tennessee walking over to the neighboring bank to help them access ETran.

As was shared by Ted Williams, CEO of TriStar Bank, during a recent virtual Congressional visit, he and his employees received so

much fulfillment in making PPP loans and seeing joy on the faces of business owners who had been approved. He's not alone. I've heard the same excitement in voices of bankers across the state.

I have also found myself grateful for Congressional action when our country needed it the most. Partisanship is frustrating, but when we needed Congress to act, they were able to come together with the CARES Act and deploy billions in loans to businesses that were forced to close during the pandemic. And while Tennessee is just one of 50 states, our delegation's influence and responsiveness led to much of our nation's success. Couple this with swift steps made by our regulatory agencies to assist banks in helping borrowers, and the industry quickly came together for the benefit of our country.

I'm grateful for our team here at the TBA. For months there were no free weekends or regular office hours. TBA staff worked diligently with our Congressional delegation to pursue legislative and regulatory changes. Our team at Financial Products and Services worked with their customers to make sure they had the tools they needed to care for their employees. Our communications team turned out media interviews and press releases. And our education team quickly pivoted to provide virtual classes at a time when education was of the utmost importance. There were no days off or phone calls that went unanswered.

And while I actively work to focus on the positive, I am aware there is much pain in our industry. We have bankers who have lost family and friends to the virus. Our prayers go out to you. And the long-term economic impact will be unknown until this pandemic is behind us.

As for our family, we will continue to identify blessings in our life, and I hope you will do the same. We have been through a difficult time, and there will be more to come. However, there is always much to be grateful for. 🇺🇸

-Colin



# TBA Online

We're on social media. Follow us for the latest in all TBA news, events, and much more.



@TNBankers, September 23, 2020

That's a wrap on TBA's *Strategic Tech Conference*! Thanks to all who made the virtual event a success. Special shout out to Committee Chairman Stephen Jaquish for serving as emcee, and FNBB's Kimber Gill for their grand prize exhibit bingo drawing, won by David Baker.



## VISIT [TNBANKERS.ORG](https://tnbankers.org)

For the latest news on bank-related COVID-19 information, visit [TNBankers.org/covid19](https://tnbankers.org/covid19). You will find an archive of phone conferences, HR, legal, and compliance resources, as well as what the state and federal government bodies are doing to help combat the economic effects of the pandemic.



## TBA WEBINARS

Register for these webinars and more at [TNBankers.org/calendar](https://tnbankers.org/calendar)

### Avoiding the Top 5 COVID-Related Collection Mistakes November 19

The ripples of COVID-19 have extended into collections, adding more complexity and compliance concerns. New legislation, borrower desperation, consumer protection, widespread unemployment, and other factors have increased the opportunities for missteps and ripened the ever-present risk. Understanding the litigation areas and sources of common collection mistakes is necessary to successfully manage risk during the pandemic. Better yet, that understanding will allow for more robust efforts to assist troubled borrowers. In this webinar, learn to navigate the rapidly changing landscape of COVID-related collection risk and increase recoveries.

### Robbery: Critical Steps Before, During & After November 24

Freeze! There's a robber! Survival may depend on thoughtful, careful decisions. The kind of decisions you make based on expert advice and training. Conversely, untrained staff's inadvertent actions can rain down danger. In this webinar, you'll learn how to behave during a robbery, what to do immediately afterward, and how to address potentially traumatic after-effects.



**AMY HEASLET**  
Executive  
Vice President/  
General Counsel,  
Tennessee Bankers  
Association

## STAY UP-TO-DATE

Stay up-to-date through *This Week* and our legislative update calls during session. TBA also invites member banks' in-house counsel to join our Bank Lawyers Committee. Contact Amy Heaslet to learn more at [ahneaslet@TNBankers.org](mailto:ahneaslet@TNBankers.org).

# TBA and ABA held virtual Washington Conference

**As I look back on the challenges the banking industry has overcome in 2020, I am incredibly proud of bankers' flexibility and adaptability.** I give a lot of credit for this to their ability to embrace new technology and ways of conducting business. If it weren't for Zoom and WebEx—two things I had never used until a few months ago—the challenges thrown at us in 2020 could have been insurmountable.

Being able to conduct meetings, conferences, and seminars virtually allowed us to operate without missing a beat. Although I miss seeing everyone face-to-face, connecting virtually is better than not seeing them at all. I've often wondered how we could have gotten through a similar pandemic 10 or 20 years ago when virtual meeting platforms did not exist.

One important event those virtual options enabled at a critical time for the banking industry was TBA and ABA's joint *Virtual Washington Conference*. Throughout the week of September 21, TBA staff and bankers across Tennessee and the southeastern states participated in a series of virtual meetings with the heads of federal regulators agencies, including the FDIC, OCC, CFPB, Federal Reserve, Treasury and SBA.

To have the virtual face time with these leaders allowed bankers and the participating state associations to discuss critical issues like PPP forgiveness, increasing banks' regulatory thresholds, and CRA modernization.

To hear FDIC Chairman Jelena McWilliams speak optimistically about the likelihood of

at least a temporary increase in banks' regulatory asset thresholds provided much needed reassurance to bankers that making PPP loans to businesses would not result in unexpected regulatory repercussions for them.

Both the FDIC and Federal Reserve acknowledged the need to update CRA regulations, especially in light of the OCC's rulemaking on this in May. The industry advocated for clarifications on what activities qualify for CRA credit and adoption of quantitative measures of CRA performance that reflect the diversity of bank models, products and markets. A unified, interagency regulation will be the key to a CRA framework that stands the test of time.

SBA and Treasury officials also provided a sounding board for bankers' most time sensitive priority – streamlining PPP forgiveness for loans under \$150,000. SBA's response could be summed up as a finger pointing toward Congress because, in their opinion, they do not have the authority to grant forgiveness without legislative change to the CARES Act. Another issue, brought by Tennessee banker Emily Gray, was SBA changing their position on EIDL funds and making PPP borrowers repay their EIDL advance. This not only penalizes banks by making the amount of an EIDL advance a repayable 2% loan, it penalizes the businesses who received them. Again, SBA's response was that to change this, Congress would need to take legislative action.

With those issues top-of-mind—PPP forgiveness and EIDL—they provided great talking points for the Congressional meetings





Virtual congressional town hall meetings with Rep. DesJarlais (top left), Rep. Mark Green (top right), Rep. David Kustoff, and Rep. John Rose (bottom right).

TBA also hosted the week of the *Washington Conference*. Bankers across the state met virtually with Congressmen Kustoff, Cooper, Fleischmann, Rose, DesJarlais, Burchett, and Green. These meetings also provided an opportunity to thank each Congressman for his efforts and the tremendous efforts of their staff during the pandemic to help banks deploy the PPP and advocate for needed changes in the program, including streamlining forgiveness for small loans.

In addition to the *Washington Conference* visits with regulators and our Congressional meetings providing an opportunity to advocate for needed changes, our regulators and Congressmen also thanked bankers for what they've done during the pandemic to help their customers and communities. Bankers' efforts have not gone unnoticed—in their communities and in Washington. 🇺🇸


# Eleven TBA members named to ‘Best Banks to Work For’ list

**American Banker Magazine published its eighth annual list of the 85 best banks to work for, with 11 Tennessee Banker Association member banks making the distinguished list: Oakworth Capital Bank, TIB The Independent Bankers Bank, Paragon Bank, Pinnacle Financial Partners, First National Bankers Bankshares, Community Bank, First Century Bank, United Community Bank, First Citizens National Bank, First Horizon National Corp., and FirstBank.**

These and other banks were celebrated for being employee-centric, offering programs and amenities, and maintaining morale of employees, many of whom are working remotely and coping with stresses of their own.

Since 2013, American Banker Magazine has ranked the nation's most employee-friendly banks. The list was published in its Oct. 27 issue.

The publication's analysis was conducted with the Best Companies Group, which collects employee surveys and reports on policies and benefits. Determining the Best Banks to Work For consists of evaluating each participating bank's workplace policies, practices, and demographics and reviewing employee surveys aimed at assessing the experiences and attitudes of the bank's employees. Companies must opt in to be considered, and to be eligible, applicants have to be commercial or retail banks, or the commercial or retail banking units of diversified financial services companies.

For information on applying to next year's ranking of American Banker's Best Banks to Work For, visit [www.bestbankstoworkfor.com](http://www.bestbankstoworkfor.com). 



Paragon team members gathering at the Saddle Creek banking center for a drive-thru fall festival for four-year-old Reniya, a participant in the Make-A-Wish Mid-South foundation.

## RANKING THE BANKS

Here's where the 11 TBA member institutions ranked on the best banks to work for list:

### NO. 1

**OAKWORTH CAPITAL BANK**  
BIRMINGHAM, ALA.

### NO. 3

**TIB THE INDEPENDENT BANKERS BANK**  
FARMERS BRANCH, TEXAS

### NO. 5

**PARAGON BANK**  
MEMPHIS

### NO. 8

**PINNACLE FINANCIAL PARTNERS**  
NASHVILLE

### NO. 18

**FIRST NATIONAL BANKERS BANKSHARES**  
BATON ROUGE, LA.

### NO. 26

**COMMUNITY BANK**  
BRANDON, MISS.

### NO. 34

**FIRST CENTURY BANK**  
TAZEWELL

### NO. 42

**UNITED COMMUNITY BANK**  
BLAIRSVILLE, GA.

### NO. 52

**FIRST CITIZENS NATIONAL BANK**  
DYERSBURG

### NO. 62

**FIRST HORIZON NATIONAL CORP.**  
MEMPHIS

### NO. 67

**FIRSTBANK**  
NASHVILLE

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# Truist's Tennessee in Local



STORY BY ROGER SHIRLEY

*As the end of 2019 approached, SunTrust Memphis Regional President Johnny Moore and BB&T Tennessee President Christian Corts were in communication with each other as the blockbuster merger creating Truist neared completion.*



# ssee Leadership ckstep



**There was much that Moore, now president of Truist's Nashville-based Mid-West Tennessee Region, and Corts, president of the East Tennessee Region headquartered in Knoxville, could not talk about until the merger was finalized.**

The deal creating the nation's sixth largest bank received regulatory approvals November 19, 2019, and was completed December 6, clearing the way for Moore and Corts to jump into the details about building their teams in Tennessee and discuss specifics about clients.

They have been working closely on a regular basis ever since. Today the combined company has 153 branch locations in Tennessee with about 2,000 teammates.

*Continued on next page*



"Johnny and I are in lockstep," Corts said. "We are talking on a daily or every-other-day basis, and it has been extremely positive for me having Johnny as a peer locally. He is a wealth of knowledge and is a great partner."

"Christian and I work really well together," Moore said. "Early on, it was important for us because he helped me understand BB&T's community-based banking model, and I helped him understand the capital markets and industry-specialist aspects of SunTrust. We worked together to really cement how we were going to be seamless in the execution for what we'd been charged with in Tennessee."

Moore and Corts, who join 22 other regional presidents in the bank's 14-state footprint and Washington, D.C., talked enthusiastically about what each of the two legacy banks have brought to Truist, both in terms of service lines and talent, and about their "shared purpose." The two regions' teams, they say, were put together based on the best people without regard to which legacy bank they were with.

#### COVID CURVEBALL

After the December closing, Corts said, the regional teams kicked into high gear to build chemistry and establish an organizational foundation for the road ahead as Truist. "We were going 100 miles an hour for a couple of months and then COVID hits," he said.

"So we went from getting to know each other in separate facilities and different buildings to then everyone working from home. That was definitely a challenge, and it was something I was really anxious about. The interesting thing, though, is I almost feel it brought us together at a faster pace."

Corts and Moore both agree that the PPP process was what really cemented the SunTrust and BB&T team members together. "It forced us to become one team with a common purpose faster," Corts said.

"At that point, we forgot about heritage SunTrust and heritage BB&T," Moore said. "We were just trying to take care of the bank's customers. Everybody took off their jersey and put on a Truist jersey. We were working extremely hard, and it forced us to work closer together. When you are working that hard for a common purpose, the 'me' disappears and it becomes 'we' pretty quickly."

The integration and rebranding of SunTrust and BB&T into Truist will continue occurring in phases over the next several months. The bank recently completed the integration of the corporate and investment banking businesses that now operate as Truist Securities. And in September it announced the launch of Truist Ventures, a corporate venture capital division created by integrating investments in technology companies from the heritage SunTrust brand with BB&T Ventures.

The integration of the branch network and the system conversion, which will be a new hybrid of the SunTrust and BB&T systems, is yet to come, with the core bank conversion expected to occur in the first half of 2022.

"We are not going to flip the switch until we know we are 100% ready," Moore said. 🇺🇸





**Johnny Moore**  
Mid-West Tennessee Region President  
Truist



**Christian Corts**  
East Tennessee Region President  
Truist

Corts and Moore both agree that the PPP process was what really cemented the SunTrust and BB&T team members together. “It forced us to become one team with a common purpose faster,” Corts said.

“At that point, we forgot about heritage SunTrust and heritage BB&T,” Moore said. “We were just trying to take care of the bank’s customers. Everybody took off their jersey and put on a Truist jersey. We were working extremely hard, and it forced us to work closer together. When you are working that hard for a common purpose, the ‘me’ disappears and it becomes ‘we’ pretty quickly.”



## More from Johnny Moore

For Johnny Moore, football and the mentorship of a college professor put him on a rewarding and successful career path, from being an accountant at Ernst & Young in Memphis to one of 24 regional presidents for the nation's sixth largest bank.

"I grew up an inner-city kid in Memphis, the middle of five children in a working class family. I was a big kid, so I gravitated toward football and played offensive tackle and defensive end at Melrose High School. A lot of people know Melrose High School. It's famous for a lot of athletic achievements, but they also produce a lot of fine scholars," Moore said. "That led me to Rhodes College, where I played defensive end. Rhodes was the first private school I went to."

In 1988, Moore became the first member of his immediate family to graduate from college. He didn't

have a specific career goal in mind at Rhodes, but he decided to major in business. "I took an accounting class and did well. One of my professors who was my faculty adviser, Sue Legge, advised me to major in accounting. She thought I was a good kid and could do something special, and she took a real interest in me.

"I told her I thought I could do well, but I was concerned because there weren't a lot of African Americans in banking and accounting. She made sure she opened the doors and helped me show I had the skill set and capabilities. I got two offers and went to work at Ernst & Young."

While there, Moore determined he needed to solidify his job security, so he took the CPA exam. "I passed the exam in one sitting, all four parts. I knew that was a big thing at Rhodes. So that was my present to Ms. Legge for all she poured into me."

When Moore got an offer to join FedEx, National Bank of Commerce, one of his audit clients, caught wind he was leaving and asked him to join the bank as its CRA officer. He did and his banking career was launched.

After SunTrust acquired NBC in 2005, Moore held numerous management positions in the commercial compliance and mortgage banking areas before being named SunTrust's Memphis market president.

Since the beginning of the year, Moore has held "dual citizenships" in Nashville and Memphis, and he and his wife, Merry, rotate weeks in each city. "We're empty nesters now, so that makes it easier," said Moore, whose son, Trey, graduated from the University of Richmond, where he played football, and his daughter, Madison, is a sophomore at the University of Tennessee in Knoxville. 🏈



### ON MANAGEMENT STYLE

"I've learned you can't manage everybody the same way. I'd say I'm a player's coach. You've got to assess your teammates, understand how you can help them succeed and give them the tools and flexibility to do the job. I try to help each teammate understand their role in the overall game plan and the importance of them executing so we as a team succeed."

### ON PERSONAL TIME

"I like playing golf. I used to be pretty decent, but my game is not that good right now. Traveling between Memphis and Nashville doesn't allow me much time to play. As an athlete, you need some type of outlet, and I can't play basketball anymore without creating a hospital bill."



## More from Christian Corts

At a young age, Christian Corts came to enjoy the idea of business and the concept of solving problems that provided mutual benefits—although some of his early forays into entrepreneurship may have been a bit one-sided.

“My mom tells the story of when I was four going door-to-door selling my drawings and coloring pages,” Corts said with a smile. “At Christmas parties, I would collect all the desserts and sell them for a quarter a piece.”

He was also instilled with the idea of serving the community. His father is a third-generation Baptist minister and his mother a school teacher. “They taught me through their actions and through the way they dedicated their lives. In every environment I was growing up in, my parents were serving others.”

Corts was born in Kentucky while


his father was in seminary, and the family then moved to Charleston, S.C. and later to Greenville, S.C., where he spent most of his time growing up. While attending Samford University in Birmingham, Corts interned with BB&T in North Carolina his junior and senior years in their mergers and acquisitions group.

“I was really drawn to the culture of BB&T,” Corts said. “Everything they did was purpose-oriented. The experience redefined my childhood idea of business being only about mutual transactions benefitting two parties to including what role you can play in affecting the greater good of society.”

Corts joined BB&T after graduating in 2008 and quickly began moving up the management track as a commercial finance specialist, corporate banker and corporate banking manager. His stops includ-

ed Winston-Salem and High Point, N.C., Houston—where he helped establish BB&T’s Texas presence in 2011—and then to his hometown of Greenville. In 2018, at age 32, Corts was named Tennessee president, becoming BB&T’s youngest regional president.

With his wife, Katie, and two young sons (ages 6 and 3), Corts feels settled in Knoxville and empowered by the opportunities resulting from the merger, especially in terms of purpose.

“To me, banking is one of the most noble professions you can have. We’re helping people create jobs; we are helping people achieve their financial dreams. It’s what is at the heart of banking. As an industry, we need to do a better job of educating folks coming out of school and into the workforce about what a great option it is.” 

### ON MANAGEMENT STYLE

“I’m highly focused on the team’s beliefs about our purpose and mission or the “why” behind what we do. I believe that helping to shape the appropriate beliefs will drive the right behaviors, which will then create the desired results.”

### ON PERSONAL TIME

“With two young boys, my interests have quickly become whatever their interest is. But I decompress in the kitchen. That’s my stress-relief and creative outlet. Go-to recipe? My wife would love that question. She is always asking me to remake dishes, which is tough since I don’t use recipes or write anything down. I’d say my go-to is a Charleston-based, low-country approach.”







# Q&A with Joel Beavers

*Chairman, Credit Committee, Tennessee Bankers Association  
Vice President, Regional Credit Officer, SmartBank, Knoxville*

A native of Jackson, Miss., Joel Beavers got his start as a credit analyst on the Gulf Coast after earning his banking and finance degree from Mississippi State University. He was later approached about an opportunity to move to the Knoxville market. As Beavers stated “That sort of change can be daunting, but being young, single, and probably a little naive, I decided to give it a shot.” Since then, he’s held a number of roles, including commercial loan officer, credit administrator, and now regional credit officer. As the Credit Committee chairman, he has been hard at work with his fellow committee members preparing for one of TBA’s most anticipated events—*Credit Conference*. Beavers spoke with *The Tennessee Banker* about his career, the banking industry, and *Credit Conference*, which takes place February 11 and 12, 2021.



Joel Beavers and wife Nicole.

## **What led you into the banking industry?**

The funny thing about this question is that the industry has changed so much from when I started. When I was looking for my first job, we were only beginning to see the changes that deregulation would bring to the banking industry. My perception as a young man was that banks were unchanging community institutions that had been around since the turn of the century and would remain unchanged for another 100 years. Boy was I off the mark! But while the pace of change has not been what I anticipated 25 years ago, I wouldn’t have had it any other way.

A more interesting question might be “Why have I stayed in banking?” Being a banker provides me with an opportunity to impact the world around me in a positive way. Every day is an opportunity to improve the lives of my colleagues, our customers, and our community. The most successful banks and bankers keep that belief in mind.

**In your years in banking, what do you see as the biggest change or challenge in how the bank meets the credit needs of the community?**


I don't know exactly what the future will look like, but I know it's coming fast. The needs and expectations of our client base are constantly evolving. Over the long term, our biggest challenge is keeping pace with those changes and providing our communities with the products and services that they need to thrive. So being a banker in today's world means being comfortable with change. Thankfully, the credit fundamentals we are all familiar with have stood the test of time and are the bedrock of everything we do, but as for pretty much everything else...

The second big challenge is recruiting and training the individuals who can deal with these changes and deliver the level of service our communities require. In Tennessee, we are blessed with a strong state banking association that provides training opportunities for all the most important topics. But that's just one piece of piece of the puzzle. More and more, I think we will be looking for talent in new places, with different life experiences and ways of looking at things.

**During the pandemic, banks and their customers were forced to make changes and adapt in many areas of our lives. What is one change in business process or policy that you expect to have a lasting positive impact?**

Most industries have drastically improved their ability and comfort level with working remotely. There are certain jobs and situations that will require being there in-person, and I think that will always be the preference. But going forward, we will see banks more comfortable with the idea of remote working when circumstances make it necessary.

**As chair of the Credit Committee, you oversee the Credit Conference, which over the years has become the most attended event by Tennessee bankers, and we can say with some certainty that in February 2021 the timing will be optimal with credit quality top of mind. What would you say about the planning process to encourage bankers to participate this year?**

We have a LOT to talk about. The pandemic and nature of the economic fallout are unprecedented. Pressure from credit unions and fintechs continues to escalate. Regulatory agencies are constantly issuing and updating guidance on strategically important topics. How will we adjust to these new realities? The planning committee has done a wonderful job putting together an agenda and speakers to help us grapple with these issues. But if you want to get the most out of the conference, don't limit yourself to the programs and speakers. Attending the conference gives us a chance to learn from each other. Every attendee has similar concerns and problems. We are all working towards optimal solutions for our respective institutions. Over the years, the knowledge and advice I have received from the peers I met at the conference has been a big part of the value I get out of my attendance. The conference itself is only a couple of days a year, but the relationships you build can last a lifetime. 



Joel with his wife, Nicole, son, Walker, and dog, Birdie.



Joel displaying the SmartBank logo at the Nasdaq building at Times Square in New York.

**TBA's 2020**

# Year in Review

*Our 2020 Year in Review offers a summary of the Tennessee Bankers Association's highlights and accomplishments. Here's a glimpse of how TBA government relations, education, and communication efforts elevate your membership benefits.*



## STATE AND FEDERAL ADVOCACY

TBA's government relations team dedicated to promoting and preserving Tennessee's pro-banking environment. TBA achieved continued legislative success in 2020, including:

- Comprehensive legislation updating Tennessee's banking laws
- Protecting businesses from frivolous COVID-related lawsuits
- Amending legislation that would have removed lenders' lien priority on commercial construction projects to protect lenders' priority
- Defeating legislation to prohibit interchange fees being assessed on sales tax of purchases

On a national level, TBA advocated for necessary changes to the Paycheck Protection Program, including streamlined forgiveness for small loans and an increase in banks' regulatory asset thresholds, and opposed FHFA's Adverse Mortgage Refinance Fee.

## Monitor, Track, Act



**1,394** Bills reviewed by TBA

**107** Bills identified as having a direct or potential impact on the industry

**35** Bills passed with a direct or potential impact on the industry

**12** Bills actively lobbied on

**33** Attendees on Virtual Washington Conference

**7** Congressional Virtual Town Halls



Virtual congressional town hall meetings with Rep. John Rose (far left) and Rep. Mark Green (left).





## TBA BANKPAC

BankPac continues to reach new milestones and reigns as one of the top-contributing business PACs in the state. This success is possible thanks to the generous support of TBA's member banks and associate members.

# \$213,203

**98** contributors including  
TBA member banks, TBA associate members,  
and TBA staff during the past 12 months  
(10/31/2019–10/20/2020)



F&M Bank's Sammy Stuard (left) and Charlie Koon (right) present Sen. Bil Powers (center) with a BankPac check.

# \$315,250

contributed by BankPac at the federal and state levels to candidates, parties, caucuses, and PACs so far in this election cycle



## PROFESSIONAL DEVELOPMENT/EDUCATION

TBA is the leading provider of high-quality, cost-effective professional development training for Tennessee banks. Our education opportunities provide an invaluable opportunity to network with peers and stay current on important issues affecting our rapidly changing industry.

# 1,520

 Registrations to TBA live events

# 906

 Registrations to TBA virtual events

# 610

 Attendees to Credit Conference

# 154

 Webinars offered

# 236

 Forum participants

# 61

 Students graduated from

**SOUTHEASTERN  
SCHOOLS**



Ronnie Boling, director of schools, welcomes students to *The Southeastern School of Consumer Lending*. The school hosted students in-person with social distancing protocols for COVID-19, and offered a virtual option for students to attend.

Launched new Real Estate Lending School in September and Tax Return Analysis in October



## DEVELOPING TALENT

To remain competitive, banks continue to focus recruiting and developing the next generation of bankers. TBA spent much of 2020 cultivating relationships and engaging with young bankers and students about the positives of the industry.

**260** Bankers participated in Young Bankers Division events—*Day on the Hill* and *Leadership Luncheons*

**37** students from **5** schools represented at *Credit Conference*



## MARKETING AND COMMUNICATIONS

Through TBA communications, we keep bankers informed, delivering critical industry information to members about legislative and regulatory changes as well as the conferences, education programs, and products and services that are available to our members.



**1,837**

Facebook followers  
[/TNBankers](#)



**2,892**

Twitter followers  
[@TNBankers](#)



**536**

Instagram followers  
[tnbankers](#)



**2,220**

LinkedIn followers  
[tennessee-bankers-association](#)



## ENDORSED PARTNERS AND ASSOCIATE MEMBERS

Our Endorsed Partners and Associate Members provide banks with superior products and services. Our partners are industry leaders who share our high standard for quality service.

**17**

Total  
Endorsed Partners

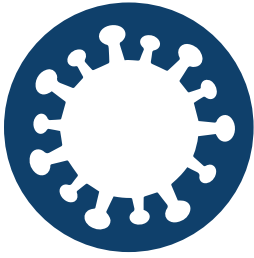


**207** Associate  
Members

**3** Alliance  
Members







## COVID-19 COVERAGE

During the COVID-19 pandemic, TBA worked with banks across the state to keep their customers and employees informed and prepared. We created TNBankers.org/covid19 so bankers could stay up-to-date on how to approach the evolving situation. The resources were curated daily to include the latest actions and guidance from the federal government, responses from member banks to plan a safe return to normal operations, guidance from TBA associate members, consumer tips, and much more.

**56** Calls with CEOs, compliance staff, senior lenders, and HR departments  
**51** Posts from TBA's endorsed partners and associate members  
**50** Posts about the Paycheck Protection Program  
**19** Posts about Tennessee's Economic Recovery and PPE Resources  
**162** Emails from TBA President Colin Barrett regarding updates

From the latest updates about the Paycheck Protection Program to the disrupted supply chain of U.S. coins, TBA advocated on behalf of our member bankers in traditional media and social media with great success. Here are a few of the media outlets who featured TBA.

**Tennessean.** **npr** **Bloomberg**

**Chattanooga Times Free Press** **TimesNews**

**MEMPHIS BUSINESS JOURNAL** **NASHVILLE BUSINESS JOURNAL** **NashvillePost** **Johnson City Press** **AP** Associated Press

**90.3 wplnnews** **News Channel 11** **NEWS CHANNEL 9** **NEWS 2abc** **WATE-TV KNOXVILLE** **FOX CHATTANOOGA**



**49,561** people reached on Facebook  
**1,345** reactions, comments and shares



**22,430** people reached on Facebook  
**830** reactions, comments and shares



**20,952** people reached on Facebook  
**727** reactions, comments and shares



## HEADLINES

Each Sunday evening, TBA sends its e-newsletter *This Week*, which covers government relations developments, regulatory announcements, education programming, and timely association and industry news. The following timeline is a look back at some of the top stories from 2020.

January 12

### **Second Session of the 111th General Assembly Convenes**

Session reconvened on January 14 with a new Speaker of the House, Cameron Sexton (R-Crossville).



February 3

### **TBA Files Legislation Updating Bank & Trust Codes**

TBA's top priority was introducing legislation to increase the current homestead exemption to \$35,000 in response to legislation defeated last year attempting to increase the exemption to \$100,000. TBA also pushed legislation to update the state's banking and trust codes.

February 18

### **More than 600 Bankers Attend Credit Conference**

TBA hosted 600 plus bankers at its *Credit Conference* on February 13 & 14. FDIC Chair Jelena McWilliams participated in a panel with Commissioner Gonzales and TBA Chairman Mott Ford.



March 9

### **TBA Grieves with Tennesseans Amid Widespread Devastation**

In the wake of the previous week's tornadoes in Middle Tennessee and Chattanooga, the TBA grieves along with all of Tennessee in the losses of life and the resulting damages. A total of 25 people were killed by the tornadoes, with an additional 309 being injured, and more than 70,000 losing power.

March 16

### **TBA Postpones Events for March Due to COVID-19**

As we entered uncharted territory with the coronavirus, Tennessee bankers were rightfully focused on serving your customers and communities. Coupled with the need for TBA to do our part to support those efforts of bankers and limit the spread of the virus, starting Monday, March 16, running through the end of March, all TBA programs were postponed or delivered in an online format only.

### **State, Federal Regulators Provide Relief to Tennessee Banks After Tornadoes**

Federal Banking agencies, along with TDFI, announced relief for banks to facilitate recovery in areas of Tennessee affected by tornadoes

### **State Legislature Closes to Public, Fate of Bills Uncertain**

Under guidance issues by Governor and House and Senate Speakers, no one other than lawmakers, staff and media were allowed in Capitol complex beginning March 16.



March 30

### **President Trump Signs Coronavirus Relief Bill, TBA-Supported Provisions Included**

President Trump signed into law the sweeping \$2 trillion CARES Act to provide relief to American consumers and businesses struggling as a result of the coronavirus pandemic. This legislation will also enable banks to better serve their customers, through TDR relief, CECL delay, lower leverage ratio, and more.

### **Governor Lee Signs TBA Banking Legislation into Law**

Governor Lee signed TBA's legislation to update the state's banking laws (SB 2112 / HB 2175) on March 20. The legislation included: delete out-of-date requirements for interstate branching; create an exception for geographical limitations on banks' boards of directors; remove requirement that original incorporators be named on re-stated charters; and more.

April 5

### **Governor Lee Directs Tennesseans to 'Stay at Home' in New Executive Order**

Governor Lee issued Executive Order 23, requiring all Tennesseans to stay at home unless carrying out essential activities, including the banking industry. This Executive Order came just days after the Governor called for the closure of all non-essential businesses.



April 12

### **SBA, Treasury Provide Guidance on Final Authorization of PPP Loans**

Throughout the week, TBA focused on getting all Tennessee banks access to the E-Tran system. The week also brought the launch of SBA Connect as an alternate origination portal and additional note guidance so that lenders could begin, or in some cases resume, disbursing funds.

April 20

### **PPP Funds Exhausted, TBA Pushes Congress for Additional Funding**

Just 13 days after the official launch of the Paycheck Protection Program, the allocated \$349 billion in the CARES Act was fully exhausted. TBA strongly advocated for Congress to immediately authorize new PPP funding to meet the payroll needs of small businesses struggling during the coronavirus pandemic.

### **TBA Cancels 130th Annual Meeting**

The 130th TBA *Annual Meeting* that was to be held at The Breakers in Palm Beach, Fla., has been canceled due to COVID-19 concerns.

### **Gonzales, Barrett Named to Governor's Economic Recovery Group**

Governor Lee announced the Economic Recovery Group, a joint effort between state departments, members of the legislature and leaders from the private sector to build guidance to safely reboot Tennessee's economy. The group is led by Tennessee Department of Tourism Commissioner Mark Ezell and provides guidance on best ways to get Tennesseans back to work.



Gonzales



Barrett

*Continued on next page*

April 27

### **Additional \$310B in PPP Funds to be Released**

SBA/Treasury reopened the E-Tran system on April 27 for \$310B in additional funding. A minimum of \$30B was set aside for community development financial institutions, banks and credit unions less than \$10B in assets. Another \$30B goes to banks/credit unions between \$10B-\$50B. The bill also included \$60B in funding for the SBA's Economic Injury Disaster Loan program.

May 4

### **Tennessee Banks Approve More Than \$2.4 Billion in Round Two of PPP**

Since April 27, Tennessee banks processed 40,971 loan applications and received approvals totaling \$2,408,173,223. 2.2 million loans made by May 4.

### **Commissioner Gonzales Elected to State Liaison Committee Chairman**

The Federal Financial Institutions Examination Council announced the re-election of TDFI Commissioner Greg Gonzales by the State Liaison Committee (SLC) as SLC Chairman.

June 1

### **Tennessee Congressmen Sign Joint Letter of Streamlined PPP Forgiveness**

Burchett, Green and Kustoff joined more than 50 Republican Congressmen in a letter to the Treasury/SBA urging changes to the agencies' recently released PPP forgiveness application and creation of streamlined forgiveness terms.

June 8

### **TN General Assembly Advances Construction Legislation with TBA Amendment**

TBA's amendment corrected previous concerns by specifically authorizing courts to issue orders to banks to pay retained funds if it's found those funds are owed, but it prohibits legal action being taken directly against the bank. The amendment added to the bill allows TBA to be neutral on this piece of legislation.

June 14

### **Chris Holmes Installed as 2020-2021 TBA Chairman**

Chris Holmes, president and CEO of FirstBank in Nashville, was installed as chairman of the Tennessee Bankers Association. Holmes takes over for outgoing chairman Mott Ford, chairman and CEO of Commercial Bank & Trust Co. in Memphis.



June 21

### **Tennessee General Assembly Adjourns Sine Die**

After spending three weeks back at the Capitol in June after a two-month recess, Senate and House members adjourned the 111th General Assembly. The final weeks of session saw tense discussion on several controversial issues, but one of the most difficult tasks was the Senate and House reaching an agreement on how to revise the upcoming fiscal year's budget to account for the economic impact of coronavirus.



July 13

### **TBA Pushes for Automatic Forgiveness for PPP Loans Under \$150K**

TBA joined 49 other state associations in support of a bipartisan bill to expedite the forgiveness process for borrowers.

July 27

### **30 Students Graduate the Southeastern School of Banking**

In a virtual-only session, 30 students completed year two of *The Southeastern School of Banking*. In addition, 17 students completed their first year of the two-year general banking school. Instructors delivered content virtually and students participated in Bank Sim.



August 17

### **TBA Advocates for Withdrawal of GSE's Refinance Fee**

TBA joined other state banking associations, along with the national trade groups, housing and consumer groups in strongly criticizing this action by the GSEs, describing it as bad public policy and calling for the withdrawal of the fee.

August 31

### **FHFA Delays Refinance Fee to December 1**

FHFA announced that the Adverse Mortgage Refinance Fee would be delayed until December 1, 2020. The fee was originally scheduled to go into effect this Tuesday, September 1.

### **Tim Pettus Named Leader in Banking Excellence**

First Farmers and Merchants Bank's Tim Pettus was named a *Leader in Banking Excellence*.




September 14

### **TBA Turns Virtual for Remainder of 2020**

TBA will host the remainder of our 2020 programs via live-stream, interactive video, and will adjust program content and agendas as necessary to accommodate virtual delivery. TBA's education department and program instructors are working diligently to optimize the digital learning experience.

September 28

### **TBA Hosts Successful Washington Conference and Congressional Visits**

TBA and Tennessee bankers met virtually with Tennessee Congressmen Kustoff, Cooper, Fleischmann, Rose, Desjarlais, Cooper and Green. These meetings provided a great opportunity to thank each Congressman for his efforts during the pandemic to help banks deploy the PPP and advocate for needed changes in the program, including streamlining forgiveness for small loans. 



# Contactless cards: From novelty to essential capability in six weeks



**NICOLE MACHADO**  
*Executive Director  
of Card Services,  
Harland Clarke*

## MORE FROM THE AUTHOR

Nicole Machado is responsible for the overall strategy and operations of Harland Clarke's card business, which includes card manufacturing, central issuance, instant issue, and prepaid solutions. Nicole can be reached at [nicole.machado@harlandclarke.com](mailto:nicole.machado@harlandclarke.com).

**The world is reconsidering how we do things.** Over the course of a few short weeks, new realities have reshaped our thinking. We suddenly became acutely aware of the spread of viruses and the role that contact plays in their spread. As a result, demand for technologies that eliminate the risk and alleviate the fears of consumers and merchants has skyrocketed. About 38 percent of consumers now view contactless as a basic need or feature of payments—up from 30 percent just one year ago.<sup>1</sup>

It's far too early to understand all the long-term effects social distancing, in-home sheltering, and a closed economy will have on consumer lifestyle and behavior. Nonetheless, the recent surge in contactless payments will not reverse as the pandemic fears subside. There is quick and tangible evidence that contactless payment capability powers a better customer experience. It is faster, easier and more convenient, in addition to the obvious safety benefit of avoiding contact with common surfaces, such as cash and payment terminals.

What the payment industry needed to drive adoption was trial. It needed consumers to try it once, and those benefits would present themselves. The pandemic sparked that trial and is quickly turning consumers into adopters of this better payment experience.

### Contactless Card Technology Has Now Fully Emerged

While still considered an emerging technology by some, contactless, or tap-and-go, credit and debit cards currently comprise more than half of all payment cards issued in the world. Millions of consumers enjoy the speed and convenience of contactless payment technology for everyday purchases.

### Start Offering Contactless Now to Stay Ahead of a Flattening Curve

Consumers want it. Merchants support it. And no longer can issuers afford the luxury of time. Keeping your card top-of-wallet with card holders means staying ahead of a flattening curve. The good news is, as a result of the U.S. EMV® Liability Shift of 2015, you probably already issue chip-enabled cards, which means you are halfway to offering customers the security and convenience of dual-interface.

### Consumers Demand the Freedom of Choice

Dual-interface cards offer consumers the choice of payment technologies—contact (EMV chip) and contactless (tap-and-go antenna). The flexibility of payment options is one of many reasons why dual-interface cards are widely considered the base card payment technology moving forward. Here are a few more of the combined benefits of dual-interface cards:

- They're secure. The contactless technology of dual-interface offers the same protection as a contact-only EMV card, making them more secure than a magstripe card or cash.
- They're just plain fast. Contactless transactions average 15 seconds or less. The reality is we live in a fast-paced, Amazon-effect world. Time is precious; lines and waiting are unacceptable. In order to keep up, you must offer your customers a payment option that lets them tap and go.
- They're easier than cash. Ease of use could be a large contributing factor for adoption, particularly for transactions under \$25, of which 80 percent are currently made with cash.
- They put the cardholder in control. Contactless payments allow a cardholder to complete a transaction while maintaining






possession of their card and without touching the point-of-sale device.

- Consumers love their cards. For many of your customers, it's about time for first-gen chip card replacement. What better way to replace outdated technology than with state-of-the-art dual-interface technology that delivers a better cardholder experience that pays off for customers every day?

Contactless cards offer many benefits to your institution as well. Industry research shows that cards that contain both the chip and antenna grow interchange revenue, increase average card spending, support top-of-wallet status, and increase the potential to convert traditional low-cost, on-the-go cash purchases to cards.

Historically, technology has been a key driver of human behavior. Interestingly, this time, it's the other way around. Consumer demand for contactless payments is increasing. It's exciting just to be a part of it. It's making

lives better, easier, more secure and safer. It's putting power into consumers' hands and peace into their minds. All this makes delivering a complete card program more critical than ever. 

#### Sources:

- <sup>1</sup> "Impact of COVID-19 on Contactless Payments," The Futurist Group, May 2020
- <sup>2</sup> Gardner, Bill, "Dirty banknotes may be spreading the coronavirus, WHO suggests," The Telegraph, March 2, 2020

In the wake of the pandemic, consumers are requesting contactless payment options, and a dual-interface card is technology your bank should provide to your customers sooner rather than later.

PHOTO: SHUTTERSTOCK



# Captives provide banks with COVID-19 coverage and many other benefits



**JOSHUA MILLER**  
CEO  
KeyState Captive  
Management, LLC



**DAVID GUERINO**  
SVP & Managing Director,  
Captive Insurance  
KeyState Captive  
Management, LLC

## MORE ABOUT KEYSTATE

Since launching the Bank Captive Program in 2012, 27 state banking associations, including the Tennessee Bankers Association, have endorsed KeyState's Bank Captive Program. For additional inquiries, contact David Guerino at 802-233-2624 or [Dguerino@key-state.com](mailto:Dguerino@key-state.com).

**COVID-19 has been presenting significant challenges for U.S. businesses across every industry, and community banks have had to respond to some unique circumstances.** Most banks' commercial policies exclude coverage for pandemics. A bank can form a captive to complement the commercial insurance program.

### What is a captive?

A captive is a legally licensed, limited purpose, property and casualty insurance company owned by the bank holding company, which can provide customized policies for the bank (and any affiliated subsidiaries) where the bank's commercial policies have limits and exclusions.

### How can a captive benefit a bank in the current environment?

#### • Pandemic Insurance Coverage

Nearly all commercial property policies exclude coverage for a pandemic. The captive has comprehensive business interruption coverage that is providing its banks with needed relief, covering expenses such as, but not limited to:

- A portion of expenses related to the purchase or lease of computers and equipment for employees to work from home
- Expenses related to deep clean branches or facilities that have had exposure to COVID-19
- Costs associated with installing plexiglass barriers for tellers in bank branches
- Expenses associated with the purchase of personal protective equipment (PPE) to keep their employees and customers safe through the pandemic

#### • Increasing Commercial Insurance Rates

At a time when community banks are worried about the potential impact of a serious

recession on their institutions, they are hearing from their commercial insurance brokers that they can expect up to 30% increase in D&O coverage and an average of 12% increase for their FI Bond. A captive insurance company has always been an excellent tool for companies to help manage the hardening commercial insurance market. Banks can evaluate higher commercial deductibles to offset these increased commercial premiums. They can then self-insure these larger deductibles through their captives.

#### • Increased Potential for Cyber Crime Losses

The remote, work-from-home environment has presented significant challenges for community banks and their commercial customer base. Banks are concerned about the increased risk related to cyber crimes. The purchase of additional cyber coverage on the commercial market has sky-rocketed, but most do not fully understand what these coverages exclude. A captive can provide a solid backstop for a community bank, stepping in to provide coverage when a commercial coverage is denied because of an exclusion.

#### • Margin Compression

Banks are facing uncertain times and continue to see their earnings come under pressure. Depending on the structure, captive coverages and claims experience, community banks with captives generally experience a 1-2% annual average increase in earnings.


Recently, KeyState hosted a virtual educational seminar with 60 community banks with captives from across the country. The banks attended the seminar to better understand how their captive policies would respond as the pandemic developed. After the session,




KeyState surveyed the banks (average asset size between \$1B - \$10B) and found that on average, banks estimated \$50,000 to \$100,000 in extra expenses associated with COVID-19, with some of the larger institutions estimating expenses over \$250,000. Although the banks remain disappointed that their commercial insurance does not cover any of these losses, they are thankful to have the captive structure in place to respond to these extra expenses related to the pandemic.

A captive offers a unique and customized approach to help identify and fund for those risks on an annual basis. Typically, banks with holding companies and total assets over \$1 billion can form and benefit from a captive insurance company. There has been continued growth in the number of banks forming captives across the country and specifically in Tennessee. The state of Tennessee has a competitive captive insurance statute and a service-minded professional team of captive regulators. This makes the formation and oper-

ation of a Tennessee captive very manageable.

To date, eight members of the Tennessee Bankers Association have captives. That's almost 50% of Tennessee banks with over \$1 billion in assets. We expect to see more Tennessee banks form captives as they see how their peers utilize them to address unfunded risks at their institutions. 

 A captive is a legally licensed, limited purpose, property and casualty insurance company owned by the bank holding company, which can provide customized policies for the bank (and any affiliated subsidiaries) that complement the bank's existing commercial policies.



*experience*  
**STONIER**

## *it begins with you*

If you're ready to make professional connections and long-lasting friendships, look no further than the **ABA Stonier Graduate School of Banking**, taking place **June 3-10, 2021**. You'll learn from the top minds in leadership development while surrounded by the industry's finest—a diverse body of rising stars who will inspire you to be your best. **Apply by May 1, 2021** to join the ranks of Ivy League-educated banking leaders.

[aba.com/StonierTenn](http://aba.com/StonierTenn)



American  
Bankers  
Association®



# Untapped opportunity: one way to drive income & diversify your portfolio

*After navigating many challenges in the last six months, banks are in a unique position to capitalize on strategic opportunities that will benefit them now and in the long run.*



MELISSA WHELAN

EVP, Bank Relationships,  
Bankers Healthcare Group

## MORE ABOUT THE AUTHOR

Melissa Whelan has 13 years of experience helping community banks strengthen and grow their portfolios by connecting them with premium, high yield loans from Bankers Healthcare Group. More than 1,100 banks have partnered with BHG and are seeing \$0 loss on the BHG Core Loan portfolio, record volume available, and a 3-6.5% return. If you have any questions, contact Melissa at [mwhelan@em.bhgbanks.com](mailto:mwhelan@em.bhgbanks.com) or 315-304-6266.

**Over the past nine months, the COVID-19 pandemic has caused a number of challenges for banks across the country.** At the onset of the economic shut-down, community banks became a lifeline for small businesses, providing over half of all PPP loans in the second round of funding.<sup>1</sup>

Banks also experienced an increase in the number of current loan holders inquiring about loan modifications or deferment periods to keep more cash on-hand, with many agreeing to assist those in need. Just as quickly, interest rates dropped, causing the net interest margin to be the lowest ever recorded by the FDIC<sup>2</sup>.

Anticipating a second wave of economic impact due to the pandemic, the Federal Reserve is expecting to keep interest rates near zero, and consumers are saving more than ever before—leading to a record \$2.4 billion in deposits over the last six months.<sup>3</sup>

### Creating Partnerships Within the Industry

Low lending margins, paired with a surplus of cash, have driven many banks to seek out new income opportunities or try to diversify their portfolio to drive their bottom line. Treasury yields on federal bonds are at an all-time low of 0.08% on a 1-month note, compared to 1.53% in January.<sup>4</sup> Combined with a lack of variety in loan requests coming in, banks could be at a disadvantage rounding out 2020.

One way to overcome this—and achieve your revenue goals for the year—is to form strategic relationships with credible partners in the industry. Not only does this provide you access to quality loans with high yields, but it also allows you to quickly strengthen

your loan portfolio to meet your bank's criteria. It also allows you to streamline the underwriting process, without having to hire or reallocate resources within your bank.

While partnering with alternative lenders has its advantages, it's important to note that each one will impact your business differently. To choose the right partner for your bank, here are the top qualities to vet for:

#### 1. Track record of success

You want a financial partner who can endure changes in the market and can originate quality loans for your portfolio at any time. Put your mind at ease by working with a lender who has a record of successfully navigating economic downturns and is agile enough to adjust its business model to meet your needs year after year without fail.

#### 2. Focus on quantitative analytics

Utilizing data to make lending decisions is common practice today, but not every lender has built proprietary quantitative analysis models to uncover variables that predict risk. A partner who dives deep into the analytics can make better predictions when originating loans, resulting in a stronger return on the portfolio you purchase.

#### 3. Origination expertise

Being well-known in the industry doesn't necessarily mean you'll attract the highest quality borrower—unless you serve a niche industry and invest in marketing. Partners, who execute innovative, highly targeted campaigns across every channel and are extremely selective in whom they lend to, offer a unique advantage in the marketplace. This ultimately creates a better loan offering for your bank.

#### 4. Streamlined process

Few things are as time consuming as evaluating credit files. Choose a financial partner who offers consistent loan packages so you can analyze files quickly and make informed purchasing decisions with ease.

#### 5. Innovative technology; concierge service

Banks are synonymous with customer service. The right partner brings innovative technology to your institution but equally understands the importance of having live financing specialists available to help your borrowers.

Community banks were deeply impacted by the pandemic, and will likely continue to be for months or even years to come. Those who seek out partners to help offset the challenges in the market and find new growth opportunities will see greater success as we close out the year and start planning for a prosperous 2021. 🇺🇸

#### References

- <sup>1</sup> Coronavirus Response. (2020, May 04). Retrieved 2020, from <https://www.icba.org/newsroom/Crisis-Preparedness/coronavirus-response/2020/05/04/community-banks-make-more-than-half-of-ppp-2.0-loans-sba>
- <sup>2,3</sup> FDIC. (2020, August 25). FDIC-Insured Institutions Reported Lower Profitability but Strong Liquidity and Higher Capital Levels in Second Quarter 2020 [Press release]. Retrieved 2020, from <https://www.fdic.gov/news/press-releases/2020/pr20095.html>
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# TBA Independent Division elects Terry Eastwood as Chairman

**Terry Eastwood, executive vice president of First Farmers and Commercial Bank in Pikeville, was announced as the newly elected chairman of the Independent Bankers Division of the Tennessee Bankers Association (TBA).** As chairman of the Independent Bankers Division, Eastwood also will sit as an ex-officio member of the Tennessee Bankers Association board of directors for the duration of his term. The announcement took place at the TBA's *Community Banking Conference* on October 27.

Eastwood succeeds Philip Calahan in the division's top position. As a past chairman, Calahan, who is president and CEO of Peoples Bank and Trust Company in Manchester, will continue to sit on the division's board of directors for three years.

Delegates to the Independent Bankers Division convention elected the following Tennessee bankers to serve as officers for 2020-2021:

## 2020-2021 INDEPENDENT BANKERS DIVISION OFFICERS



**TERRY EASTWOOD**  
Chairman  
Executive Vice President  
First Farmers and  
Commercial Bank,  
Pikeville



**JAY ENGLAND**  
Chairman-elect  
President and CEO  
Decatur County Bank,  
Decaturville



**JIM ROBINSON**  
First Vice Chairman  
President and CEO,  
Heritage Bank & Trust,  
Columbia



**ADAM ROBERTSON**  
Second Vice Chairman  
and Secretary/Treasurer  
President,  
Commercial Bank,  
Harrogate

- **Chairman:** Terry Eastwood, executive vice president, First Farmers and Commercial Bank, Pikeville
- **Chairman-elect:** Jay England, president and CEO, Decatur County Bank, Decaturville
- **First Vice Chairman:** Jim Robinson, president and CEO, Heritage Bank & Trust, Columbia
- **Second Vice Chairman and Secretary/Treasurer:** Adam Robertson, president, Commercial Bank, Harrogate

In addition to executive officers, each year convention delegates elect one director from each of the three Grand Divisions of

Tennessee to replace three directors who rotate off the board.

New directors elected to the board during this convention were:

- **East Tennessee Director:** Mark Kline, president and CEO, The First National Bank of Oneida, Oneida
- **Middle Tennessee Director:** Todd Austin, president and CEO, Citizens Bank, Hartsville
- **West Tennessee Director:** Andy Collins, chief credit officer, Security Bank and Trust Company, Paris


Other directors on the board are:

- **Doug DeBusk**, executive vice president, Andrew Johnson Bank, Greeneville
- **Johnny Law**, president and CEO, Citizens Bank, Carthage
- **Jeremy Washburn**, president and CEO, The Peoples Bank, Sardis
- **Jason Holliman**, president, Citizens National Bank, Sevierville
- **Pieter van Vuuren**, president and CEO, The First National Bank of Middle Tennessee, McMinnville
- **Greg Crikfield**, President and CEO, The Lauderdale County Bank, Halls

Past Chairmen - Ex-Officio Directors are:

- **Kenneth V. Jones**, regional executive, First State Bank of the Southeast, New Tazewell
- **Matt Daniels**, president and CEO, Apex Bank, Camden
- **Philip Calahan**, president and CEO, Peoples Bank & Trust Company, Manchester

Completing their director terms were **Shane Jackson** (senior vice president, Pinnacle Bank, Knoxville), **Marty Maynard** (CEO, American Bank and Trust of the Cumberland, Livingston), and **David Prince** (president and CEO, INSOUTH Bank, Brownsville). The Tennessee Bankers Association thanks them for their volunteer leadership.

The Independent Bankers Division of the Tennessee Bankers Association was organized in 1973 to represent the interests of Tennessee's community banks in areas such as legislation and education. 

# Event Recaps

## Trust and Wealth Management Conference

October 15 & 16, 2020 | Virtual Event

The Trust & Wealth Management Conference explored the future of wealth management amid industry shifts, innovations in technology and ever-evolving client expectations. Richard Johnson and Aaron Flinn provided a comprehensive update on recent changes to state and federal laws related to trusts, and Rebecca Blair discussed recent Tennessee trust litigation, including actions to remove trustees and other fiduciaries in estate planning documents.

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#### General



## Women in Banking Conference

Virtual Event | October 22-23, 2020

More than 100 bankers joined TBA's annual *Women in Banking Conference*, which is devoted to the development of Tennessee women banker leadership. Laurie Stewart, CEO and president of Sound Community Bank in Seattle, Wash., and chairman for the American Bankers Association, shared her journey as an accidental banker. Later Stewart moderated a panel of C-Suite women from a variety of industries as they discussed their experiences from their unique perspectives.

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#### General







# COMMUNITY BANKING CONFERENCE

October 27, 2020  
Virtual Conference

Presented by TBA's  
Independent  
Bankers Division

Community banks face a great challenge: maintaining independence and financial viability during the COVID-19 pandemic crisis, increased competition, and regulatory burden.

That's why bankers statewide attended TBA's *Community Banking Conference*, presented by the Independent Bankers Division, to learn how to sustain the community bank model in their Tennessee town. Speakers included ICBA's Rebeca Romero Rainey, Baker Donelson's Kim Vance, Vining Sparks' Rick Redmond, and Kreativelabs Consulting's David Hunkele.

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## BANK DIRECTORS RETREAT

October 28, 2020 | Virtual Event

In Conjunction with



From corporate governance to value drivers, TBA's *Bank Directors Retreat* addressed the internal and external factors that impact organizational strength through sessions led by industry experts and thought leaders. *Bank Directors Retreat* featured sessions from Michael Berman on the importance of testing and business continuity plans and Philip Smith on what directors need to know in this COVID-19 era.

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General



# Consumers need proactive deposit liquidity solutions now more than ever before



**JEFF BURTON**

Director, Financial & Risk  
Management Solutions,  
Fiserv

**The COVID-19 pandemic has had a huge impact on consumers and businesses alike.** While the provision of stimulus payments and loans by the United States government provided economic relief in the short-term, this did not erase Americans' ongoing financial needs.

## **Regulators Encourage Responsible Small-Dollar Lending**

According to the 2020 *Planning & Progress Study* from Northwestern Mutual, a significant number of Americans—45%—have taken steps to cover their regular living expenses during the pandemic. A quarter of those dipped into personal savings while 14% turned to friends or family for a loan. Only 8% applied for a loan from a financial lender.

In contrast to this relatively low level of borrowing from a financial lender, *The Pew Charitable Trusts* reports that Americans spend \$30 billion annually to borrow small amounts of money from lenders outside the banking system.

This may be due to the fact that, for a variety of reasons, not all financial institutions have offered these types of loans. In order to help change this some limitations on small-dollar lending were lifted this spring. Federal regulators announced new guidance and rescinded other existing guidance to make it easier for financial institutions to issue short-term, small-dollar loans to deposit account holders, including those experiencing economic hardship related to the pandemic.

While financial institutions have to meet regulatory and compliance requirements

that non-financial institutions do not, they can offer lower fees than payday lenders and other options. If digital tools are leveraged, the application process can be simpler and more convenient for consumers. In addition, by turning to their financial institutions for their small-dollar lending needs, consumers won't have to share personally identifiable information with another organization.

## **Bridging the Income Gap**

In a 2020 *Emergency Funds Survey* conducted by SmartBrief and sponsored by Fiserv, 86% of consumers who had a need for short term liquidity said they were "somewhat likely" or "very likely" to pursue a short-term loan from their financial institution, if it was quick and easy to obtain. Nearly 60% of consumers who had a need for short term liquidity said they would start a new banking relationship if their current financial institution didn't offer a short-term liquidity option, and 27% said they'd consider switching banks completely.

Short-term, small-dollar lending creates loyalty. When financial institutions retain business, it strengthens the relationship with account holders—and everyone can win.

And Americans' short-term need for funds is not a unique to the current pandemic. About one-third of consumers need emergency funds at least once a year, according to the 2020 *Emergency Funds Survey*. The bulk of consumers 70% need \$1,000 or less to make ends meet. A quarter of consumers surveyed said they repaid the loan within 1 to two months.



### Solutions to Match the Situation

Every account holder has a different financial situation. Whether a financial gap is due to the pandemic or an emergency expense, financial institutions can help account holders cover their shortfalls.

There are two routes for financial institutions to consider: proactive and reactive liquidity solutions. Financial institutions have typically offered reactive solutions such as overdraft protection. However, financial institutions can also create proactive services to prevent a deficit from occurring. For example, low-balance alerts and transaction notices can help account holders stay on top of their balances in real time. When account holders know there's a gap, they can take proactive actions to fill it.

Small-dollar, deposit-based lending is a proactive solution to help bridge account holders' cash flow needs quickly and conveniently. Unlike an overdraft, the consumer requests small dollar loans so there is complete transparency about the loan and repayment terms

and the total cost of borrowing. Against the backdrop of regulatory uniformity, financial institutions can offer short-term credit solutions, giving account holders instant access to funds with built-in consumer protections.

Regardless of the liquidity solution financial institutions choose, simplicity is key. Account holders are already overburdened by debt, stress and anxiety. They need an ally. This is an opportunity for financial institutions to offer support and fill a valuable need, affordably, and in a simple and transparent manner.



With many customers taking steps to cover their regular living expenses during the pandemic, small-dollar, deposit-based lending is a proactive solution banks can take to help bridge account holders' cash flow needs quickly and conveniently.

PHOTO: SHUTTERSTOCK



# The ISO in a crisis:

## Key responsibilities of the information security officer during a pandemic



**TOM HINKEL**

CISA, CRMA, CRISC, CCSA,  
MBCP, CTPRP  
VP of Compliance Services,  
Safe Systems

### MORE ABOUT THE AUTHOR

Tom Hinkel works closely with R&D and management to ensure Safe Systems services abide by the appropriate financial industry regulations and best practices. He is also a compliance consultant. For more information about Safe Systems, visit [www.safesystems.com](http://www.safesystems.com) or call 770-752-0550.

**Since the information security officer (ISO) acts as the “quarterback” over the many different departments and functions within a financial institution, it is the responsibility of this role to make sure all routine tasks are still being completed and information is kept secure, all while adapting to the unique circumstances of a crisis.**

The FFIEC *Management Handbook* lists eight categories of ISO responsibilities. We’ve identified a few areas to focus on during adverse events.

#### Working with The IT Steering Committee

The ISO must work closely with the IT Steering Committee to ensure that the institution minimizes risks to the security and confidentiality of nonpublic personal information (NPI) and financial transactions, which may be a greater challenge during a crisis.

Key considerations:

- Maintain normal duties and meeting schedules of the IT Steering Committee. Phone/video conferences suffice if in-person meetings aren’t an option.
- Continue to track IT projects and initiatives and keep stakeholders informed. Examiners will look for any adjustments made to the strategic roadmap because of the pandemic.
- Review the Remote Access Policy and the Remote User/Acceptable Use Acknowledgement with IT and HR as the current situation may necessitate allowing new personnel and/or third-parties access to the network. Consider additional risks, such as allowing employees to use their personal devices to access the FI’s network to do their jobs. Use guidance from the *Remote Access*

and Use of Remote Devices sections of the FFIEC Information Security Handbook to expand existing policies and procedures.

- Continue to report the status of all IT and information security activities to the Board and accelerate reporting if possible.

#### Managing Incident Response, Business Continuity, and Cyber Responsibilities

The ISO is typically the Incident Response Team Coordinator and may determine whether to activate the formal Incident Response Plan (IRP). The declaration of a pandemic or other adverse operational event does not in itself require the IRP to be invoked, however, any disruption of normal business services may create vulnerabilities that a cyber attacker could try to exploit.

The ISO will also likely be involved with general business continuity planning and recovery efforts. The criteria for activating the Business Continuity Plan will vary by institution, but it is usually associated with a determination of whether the event is likely to negatively impact the institution’s ability to provide business products and services to customers beyond recovery time objectives (RTOs). The ISO is typically one of the few key individuals tasked with making that evaluation.

In addition, the ISO should heighten cyber awareness and anticipate the following risks:

- The institution could have key personnel out, and alternate personnel may not be adequately trained or have the same level of cyber awareness as the primary staff members.
- The institution may be implementing work-arounds for new software or devices when

trying to accommodate customers affected by the event. In the interest of expediency, the institution may take shortcuts that it normally wouldn't or otherwise fail to follow normal procedures.

- The institution could run into issues with the critical vendors that perform or support its perimeter security, compromising real-time alerting. This is known as “cascading impact,” where a product or service provided by a third-party is degraded, which in turn affects the institution.
- The institution could experience secondary disruptions where hackers may attempt a cyberattack against perceived weakened defenses.

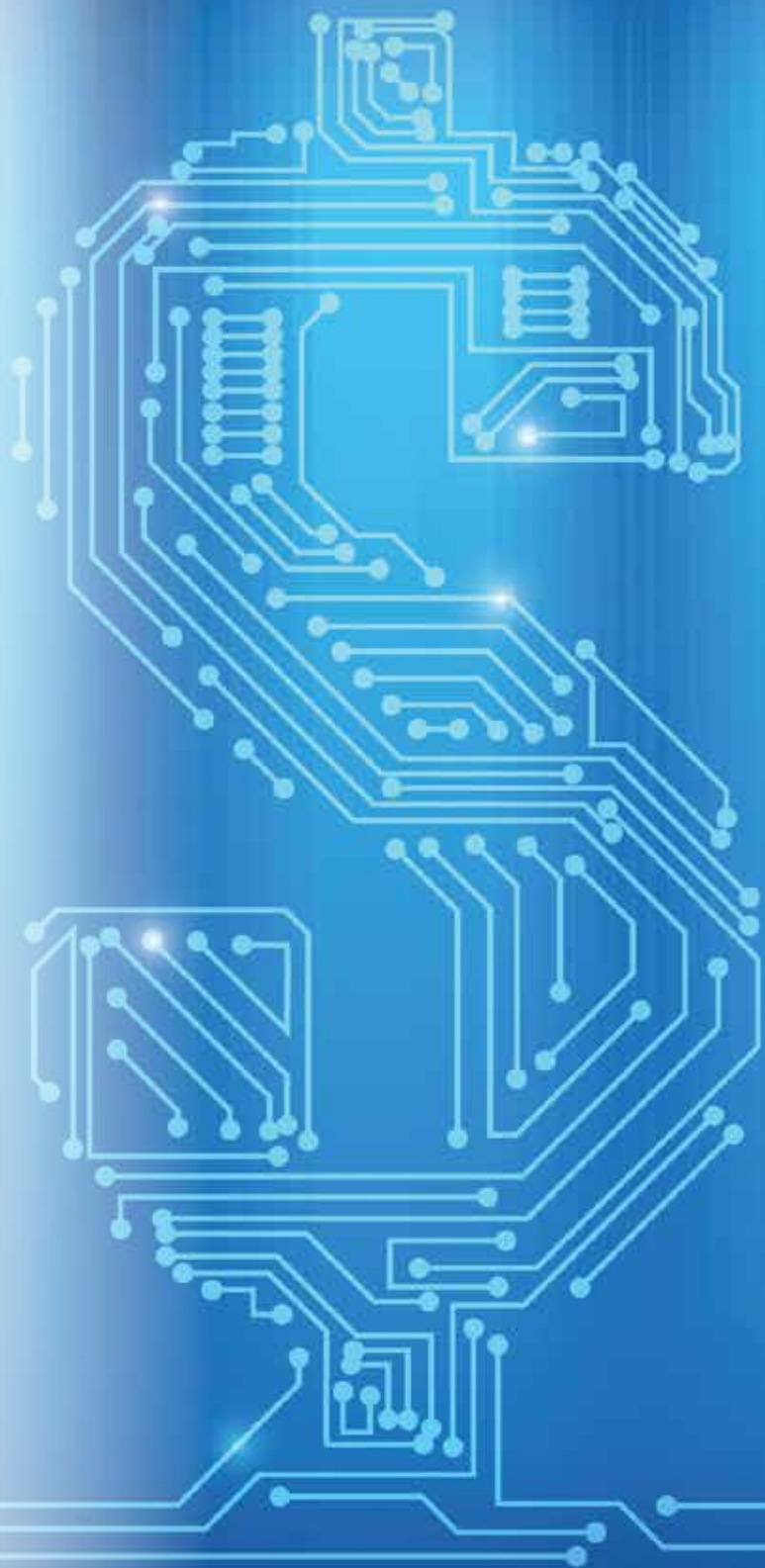
It's the ISO's responsibility to communicate with internal and external stakeholders to ensure there is a plan in place if any of these risks occur.

### **Addressing Auditor and Examiner Expectations**

Although a pandemic, as a separate crisis event, was de-emphasized in the 2019 BCM Handbook, the sheer scope and duration of the current pandemic will likely cause regulators to increase their scrutiny on specific actions institutions have taken in response to COVID-19. The ISO should be prepared to:

- Share how the institution's succession plans were implemented during the pandemic and any key updates to the plans post-pandemic;
- Explain plans for cross-training and how these plans were implemented during the pandemic;
- Ensure that board-approved policies and procedures are followed for remote access controls and document any exceptions or special accommodations;
- Communicate with all critical vendors to ensure there are no interruptions to services and have contingency plans in the form of pre-vetted alternate providers in case a third-party can no longer provide adequate service (referred to as “cascading impact”).

ISOs ultimately must show auditors and examiners exactly how the institution maintained compliance with its policies and procedures even as actual practices changed to adapt to the pandemic. They must also show how they kept NPI and financial transactions secure and provided services at acceptable levels of risk, all of which is no small task during normal operations! 🚩



# Small business lending gives a boost to banks



**CARL WHITE**  
Senior Vice President,  
Supervision  
Federal Reserve Bank  
of St. Louis

**The recession that has accompanied the coronavirus pandemic has hit most sectors of the U.S. economy hard, and commercial banks are no exception.**

Through the first half of 2020, profits sharply declined from their year-ago levels as banks worked with loan customers through deferrals and modifications, new loan demand fell, and banks set aside more funds for anticipated losses.

Those trends were true of both community banks and their larger counterparts to varying degrees within Washington, D.C., and nationally.

## Small Business Lending

A snapshot of bank health as of June 30 shows one bright spot, however: small business lending.<sup>1</sup> Compared with a year earlier, small business loans increased nearly 40% at U.S. community banks. Among all banks in Eighth District states, year-over-year growth ranged from 29.5% in Mississippi to 42.5% in Tennessee, as seen in the table below.

Outstanding loans in every other category—consumer, residential real estate, commercial real estate and agriculture—declined from a year earlier for all U.S. community banks and showed much smaller increases or declines at banks in District states.

### SMALL BUSINESS LENDING AND THE PAYCHECK PROTECTION PROGRAM

Bank Group	Small Business Loan Growth June 2019–June 2020	PPP Participation Rate	Ratio of PPP Loans to Small Business Loans
U.S. Community Banks	39.7%	81.6%	49.8%
Eighth District	31.3%	81.2%	46.5%
Arkansas	35.6%	80.2%	41.5%
Illinois	31.2%	78.0%	53.4%
Indiana	40.0%	79.8%	52.3%
Kentucky	32.4%	73.3%	41.7%
Mississippi	29.5%	84.3%	48.2%
Missouri	35.0%	85.7%	62.0%
Tennessee	42.5%	82.3%	46.3%

NOTE: The participation rate and the loan ratio data are as of June 30, 2020.

SOURCE: Call Reports of Condition and Income.





### The Paycheck Protection Program Boost

The steep increase in small business lending at community banks was spurred by the introduction of the Paycheck Protection Program (PPP), a provision of the Coronavirus Aid, Relief, and Economic Security (CARES) Act passed and signed into law in March. The PPP is administered by the Small Business Administration (SBA) and guarantees the extension of potentially forgivable loans to allow participating employers to keep workers on their payrolls. The maximum loan size is \$10 million, and about two-thirds of all loans extended under the program were for \$1 million or less.

The vast majority of the nation's banks have participated in the program. At midyear, more than 80% of all community banks had extended loans through the program. In the District, the participation rate was nearly identical and ranged from 73% in Kentucky to nearly 86% in Missouri.


Although community banks accounted for just 20% of total loans on the books of the nation's banks on June 30, they held more than 40% of PPP loans extended by banks. The average size of a PPP loan was just under \$100,000.

The last column of the table shows the ratio of PPP loans to total small business loans. On average, PPP loans counted for slightly less than half of all small business loan dollars on the books of community banks at midyear. In District states, the ratio ranged from 41.5% in Arkansas to 62% in Missouri.

### Bump Likely To Be Short-Lived

The SBA stopped accepting PPP loan applications in early August. As these loans are paid back or forgiven, the outstanding balance of small business loans will no doubt decline. The outlook for other categories of loans is highly dependent on the size and timing of a rebound in economic activity.

Despite the high participation rates of community banks in the PPP, it's likely that long-term trends in small business lending will remain unchanged. Since 2016, community banks have lagged their larger peers in the extension of small business loans.

Nevertheless, small business lending remains a key business line for community banks, and it's highly likely that some new customers who turned to community banks for PPP loans will stay with these banks. The PPP loan experience may help smaller banks regain some of the ground they've lost to larger competitors in the small business loan market. 

### References

<sup>1</sup> Loans are categorized by the size of the loan and not the size of the business. Of course, it's likely that most small loans are made to small businesses. Small business loans are those that are originated for \$1 million or less. Community banks include commercial banks, thrifts and trust companies with assets of less than \$10 billion.

Despite the high participation rates of community banks in the PPP, it's likely that long-term trends in small business lending will remain unchanged. But it's highly likely that some new customers who turned to community banks for PPP loans will stay with these banks.

PHOTO: SHUTTERSTOCK



# New Associate Members


The following companies have joined the Tennessee Bankers Association as associate members. TBA's associate members deliver valuable products and services that help Tennessee's financial institutions serve their customers. In addition, they provide considerable support to TBA efforts and programs. You will find a complete list of TBA associate members on the TBA website at [TNBankers.org](http://TNBankers.org). If you have questions about TBA's associate members, please contact Stacey Langford at [slangford@TNBankers.org](mailto:slangford@TNBankers.org).

## LENDING



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Upgrade is a marketplace lender having facilitated origination of \$3 billion in personal loans since inception. We partner with community banks to give them access to prime consumer assets for income goals, customer base growth as well as co-branded digital solutions. Upgrade can offer community banks digital unsecured consumer loans, secured consumer loans, cards, auto loans as well as HELOCs. We can provide a digital channel to access customers in their communities with a flawless user experience. Call Jim Quinn at 919-306-1211. 



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# Employment Opportunities

TBA now offers three ways to find and post job opportunities in the banking industry across the state.



**1.** The TBA Job Bank is free for TBA member banks to post positions online. You can submit your job openings to Penny Powlas at [ppowlas@tnbankers.org](mailto:ppowlas@tnbankers.org), and jobs can be viewed at [TNBankers.org/job-bank](http://TNBankers.org/job-bank), as well as in each issue of the Tennessee Banker magazine on this page.



**2.** [BankCareers.org](http://BankCareers.org) is a service provided by TBA where banks can connect with university students interested in careers in banking. Banks post job opportunities and internships, and students from universities across Tennessee can apply from the website. Visit [BankCareers.org](http://BankCareers.org) to post positions, or reach out to Matt Radford at [mradford@tnbankers.org](mailto:mradford@tnbankers.org).



**3.** BankTalentHQ partners with TBA and other state bankers associations. It allows Tennessee banks to reach a nation-wide audience by posting job openings for your institutions, with the ability to purchase a single 30-day post or a discounted posting package to fill multiple vacancies. Visit [BankTalentHQ.com](http://BankTalentHQ.com) to post your jobs or find employment opportunities.

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### 2010-17 SYSTEMS SUPPORT MANAGER

Reliant Bank currently seeking a Systems Support Manager in Franklin, TN. Qualified candidates may submit their resume via <https://secure.entertimeonline.com/ta/InpReliant.careers?ApplyToJob=318962753>.

### 2010-16 PORTFOLIO MANAGER

The Housing Fund is seeking a qualified Portfolio Manager. Please submit cover letter and resume to David Parrish at [dparrish@thehousingfund.org](mailto:dparrish@thehousingfund.org).

### 2010-15 FINANCIAL SERVICES BANKER (FLOAT)

Reliant Bank is currently seeking a Financial Services Banker (Float) for their Maury/Hickman County branches. Qualified candidates may submit their resume via <https://secure.entertimeonline.com/ta/InpReliant.careers?ApplyToJob=318958530>.

### 2010-14 IT SERVICE DESK MANAGER

Reliant Bank is currently seeking an IT Service Desk Manager in Franklin, TN. Qualified candidates may submit their resume via <https://secure.entertimeonline.com/ta/InpReliant.careers?ApplyToJob=318956427>.

### 2010-13 RETAIL BANKING OPERATION MANAGER

Tri-State Bank of Memphis is seeking a qualified Retail Banking Operation Manager. Please provide resume in TXT formats to: [pjones@tristatebank.com](mailto:pjones@tristatebank.com) or [aprice@tristatebank.com](mailto:aprice@tristatebank.com).

### 2010-12 ASSISTANT CONTROLLER

CapStar Bank is seeking a qualified Assistant Controller for their DT Gulch office in Nashville. Interested parties may send their resumes to [Charles.walker@capstarbank.com](mailto:Charles.walker@capstarbank.com).

### 2010-11 PERSONAL BANKER I, II, III

Legends Bank is seeking qualified a Personal Banker I, II, III. Interested parties may send their resumes to [dadkins@legendsbank.com](mailto:dadkins@legendsbank.com).

### 2010-10 PART-TIME PERSONAL BANKER

Legends Bank is seeking a qualified Part-time Personal Banker. Interested candidates may send their resumes to [dadkins@legendsbank.com](mailto:dadkins@legendsbank.com).

### 2010-9 BRANCH MANAGER/PERSONAL BANKER

Legends Bank is seeking a qualified Branch Manager/Personal Banker. Interested candidates may send their resumes to [dadkins@legendsbank.com](mailto:dadkins@legendsbank.com).

### 2010-8 ACCOUNTING ASSISTANT

Legends Bank is seeking a qualified Accounting Assistant. Interested parties may send their resumes to [dadkins@legendsbank.com](mailto:dadkins@legendsbank.com).

### 2010-7 MORTGAGE LOAN ADMINISTRATOR

Legends Bank is seeking a qualified Mortgage Loan Administrator. Interested parties may send their resumes to [dadkins@legendsbank.com](mailto:dadkins@legendsbank.com).

### 2010-6 VETERANS BUSINESS OUTREACH CENTER INSTRUCTOR (PART TIME)

Pathway Lending is seeking a qualified Veterans Business Outreach Center Instructor (part time). Please submit a resume and cover letter to [Ashley.verbert@pathwaylending.org](mailto:Ashley.verbert@pathwaylending.org).

### 2010-5 LOAN OPERATIONS MANAGER

TNBANK is seeking an experienced Loan Operations Manager for their Oak Ridge location. Interested candidates may send their resumes to [lgraham@tnbank.net](mailto:lgraham@tnbank.net).

### 2010-4 COMPLIANCE OFFICER

TNBANK is seeking an experienced Compliance Officer for their Oak Ridge location. Interested candidates may send their resumes to [lgraham@tnbank.net](mailto:lgraham@tnbank.net).

### 2010-3 RETAIL OPERATIONS SPECIALIST

Reliant Bank is currently seeking a Retail Operations Specialist in Franklin, TN or Clarksville, TN. Qualified candidates may submit their resume via <https://secure.entertimeonline.com/ta/InpReliant.careers?ApplyToJob=318945472>.

### 2010-2 MORTGAGE LOAN QUALITY CONTROL SPECIALIST

Reliant Bank is currently seeking a Mortgage Loan Quality Control Specialist for their Brentwood location or Remote. Qualified candidates may submit their resume via <https://secure.entertimeonline.com/ta/InpReliant.careers?ApplyToJob=318944833>.

Tennessee banks and associate members may list positions free-of-charge as a benefit of their membership in the Tennessee Bankers Association. Those interested in placing an ad or replying to position openings (refer to position number) should direct their inquiries to Penny Powlas at [ppowlas@TNBankers.org](mailto:ppowlas@TNBankers.org), or 800-964-5525 or 615-244-4871. View more positions at [TNBankers.org/jobbank](http://TNBankers.org/jobbank).



# People on the Move

Have information from your bank about promotions or branch news?  
Send it to Lila Griffin at [lgriffin@TNBankers.org](mailto:lgriffin@TNBankers.org).

**Alexander Thompson Arnold, PLLC, Milan**, has named **Rick Schreiber** as partner and leader of the firm's national advisory practice.



SCHREIBER

**Argent Trust Company of Tennessee, Nashville**, has welcomed **Chris Kelly** as market president for Middle Tennessee.



KELLY



JOHNSON



HARKNESS

**BankTennessee, Munford**, has promoted **Rebecca Johnson** to branch manager and named **Chad Harkness** as regional president.



**CapStar Bank, Nashville**, has named **Denis Duncan** as chief financial officer.



**Carroll Bank and Trust, Paris**, has named **Dylan Clift** as a mortgage loan officer.



WEBER



BARNES

**CB&S Inc, Russellville, Ala.**, has promoted **Mike Weber** to executive vice president, Tennessee regional president. **Michael Barnes** was elevated to vice president, serving as commercial relationship manager in **Bolivar, Selmer, and Whiteville**.

**CedarStone Bank, Lebanon**, has named **Derek Johnston** as the **Lebanon** office branch manager.



JOHNSTON

**Citizens Bank, Elizabethton**, has named **Sandra Kerley**, vice president, branch administrator.



KERLEY



**Commercial Bank & Trust Co., Paris**, has welcomed **Adam Milligan** as vice president and loan officer.

**Crowe LLP, Franklin**, has promoted **Marsi Shelton** to director of audit services.



SHELTON

**Decatur County Bank, Decaturville**, has welcomed **Brett Hunt** to lead its wealth management division at the **West Tennessee Bank, Henderson**.



HUNT



KNEEVEN



DARZINS



MARTIN



HESSEN



PERKINS

**Evolve Bank & Trust, Memphis**, has welcomed: **Matt Kneeven** as senior vice president, director of mortgage operations; **Egon Darzins** as senior mortgage accountant; **Lacy Martin** to the mortgage division as disclosure desk analyst; **Paige Hessen** as an attorney in the legal department;



WHEELER

WILLIAMS

**Jack Perkins** as an accountant; **Mike Wheeler** as financial crimes risk officer, BSA officer; and **Lee Williams** as senior compliance officer; as well as **Tamara McNeal**, **Katie Miller**, **Mark Magwood**, **Laura Echtenkamp**, **Kimberly Burns**, **Cheryl Burleigh**, **Jennifer Brown**, **Kimberly Copous**, **Della Shackelford** as new Evolve teammates.



WEBB

HAYS

FOWLER

**F&M Bank, Clarksville**, has named **Jamie Webb** as vice president/commercial lending at the main office; **Justin Hays** as vice president/commercial lending at the **Hendersonville** branch office; and **Robert Fowler** as assistant vice president at the **Greenbrier** branch office.

**Fifth Third Bank, Nashville**, has promoted **Jon Paul (JP) Hickey** to senior vice president, commercial middle market team leader and market executive.



HICKEY



HAMM

DAVIS

BORING

**First Citizen National Bank, Dyersburg**, has promoted **Chris Hamm** to senior vice president of fraud and BSA officer; **Anna Davis** was promoted to branch manager of the **Martin** financial center; and **Jennifer Boring** was promoted to branch manager of the **Arlington** financial center.



KOVALCHIK

KELLER

**First Freedom Bank, Lebanon**, has promoted **Kaitlyn Kovalchik** to personal banker; **Courtney Keller** to financial services representative manager at the **Providence** office.

**First Horizon Bank, Memphis**, has named **Cara Rhodes** as vice president, private services team, based at **Brentwood's Hill Center** office.



RHODES

**HomeTrust Bank, Morristown**, has named **Jessica L. Rich** as vice president and Morristown county executive.



RICH

**Mauldin & Jenkins, LLC, Chattanooga**, has promoted **Jameson Miller** to partner.



MILLER

**Millennium Bank, Chattanooga**, has named **Brett Johnson** executive vice president and chief risk officer.



JOHNSON

**New Peoples Bank, Kingsport**, has named **Kristin Spear** as first vice president and Tri-Cities market manager.



SPEAR

**Pinnacle Financial Partners, Nashville**, has named **Bryan Hulker** as a financial advisor.



HULKER

**Planters Bank Inc., Clarksville**, has named **Ryan Batson** as vice president of commercial banking.



BATSON

# People on the Move

## continued



CHATMAN

YOVANOVITCH

**PNC Financial Services Group Inc.**, has promoted **Lesley Chatman** to area solutions manager for the **Nashville** region; and named **Andre Yovanovitch** as senior business development officer.

**Renasant Bank, Nashville**, has named **Paula Torch** as managing director of the middle market commercial lending team.



TORCH



HAMBLEN

COOMBS

**ServisFirst Bank, Nashville**, has promoted **AJ Hamblen** to senior credit analyst; and **Ray Coombs** to senior cash management associate.

**SmartBank, Knoxville**, has promoted **Stephanie Bean** to regional branch administrator for upper East Tennessee.



BEAN

**SmartBank, Wartburg**, has named **Leah Wilson** as a residential lender in Morgan County.



WILSON

**Southeastern Trust Company, Chattanooga**, has named **Britt Messer** as chief investment officer for the boutique private wealth management firm.



MESSER

**Southern Heritage Bank, Cleveland**, has promoted **Brooke Littell** to vice president and commercial and consumer lender.



LITTELL



LINCK

FILLERS

**The Trust Company of Tennessee, Knoxville**, has named **Sheryl Linck** as a senior vice president and relationship manager; and **Kevin S. Fillers** as a relationship manager.

**UBank, Jellico**, has named **Joseph "Joe" Hamdi** as president. **Allen McClary** will continue to serve as chairman and CEO.



HAMD

**Wilson Bank & Trust, Lebanon**, has named **Keely Hall** as vice president and Williamson County market leader.



HALL

# Bank Notes



**Patty Ann Burkhead**, formerly with **CB&S Bank Inc., Parsons**, has retired after more than 38 years' service in the banking industry.

**Joe Jenkins**, board member of **Evolve Bank & Trust** and chairman and president of the former **Citizens Bank**, has passed away.



JENKINS



**Community Bank of Mississippi**, with a Memphis branch, celebrates 115 years in business in 2020.



**Sammy Stuard**, president of **F&M Bank, Clarksville**, was awarded the Good Scout Award for 2020.





**Alyson Seratt Pollock**, of **First Citizens National Bank, Dyersburg**, has earned certification as a corporate trainer. **Tevvy Hollingsworth** has earned certification as a certified fraud examiner.



**First Horizon Bank, Nashville**, virtually celebrated the reopening of their East Nashville branch office (965 Woodland St.), which suffered damage from the March tornadoes.

**Franklin Synergy Bank** has officially merged with **FirstBank** and will change their name October 2020.

**HC3, Birmingham, Ala.**, has acquired Banc Statements Inc., a company that specializes in printing and mailing demand deposit and savings account statements for community banks.

**Ncontracts, Brentwood**, has bought an East Tennessee tech company, Banc Intranets.

**Pathway Lending, Nashville**, is one of six community development financial institutions in the U.S. chosen to participate in a new \$40 million loans fund to support underserved communities. **Truist Financial Corporation** has made a \$40 million initial donation to create the CornerSquare Community Capital fund. Through this nonprofit program, 100% of the funding will be allocated to racially and ethnically diverse small business owners, women and individuals in low- and moderate-income communities, with a focus on African American-owned small businesses. CornerSquare will purchase 25% loan participations that will enable Pathway to increase its lending capacity.



**Pinnacle Financial Partners, Nashville**, has begun construction on a full-service office in **Gallatin** at 1534 Noah Lane in Greensboro Village with a planned opening in spring of 2021 and managed by **Chris Rippy**.



RIPPY

**Suzanne W. Langford**, Middle Tennessee senior market executive at **Planters Bank Inc.**, has been named chairman of the board of the Clarks-ville-Montgomery County Economic Development Council for the 2020-2021 term.



LANGFORD

**Pittsburgh-based PNC Bank** has opened its second Tennessee branch in downtown **Nashville** at 1200 Broadway.



**TNBANK, Oak Ridge**, created an autumn display to celebrate 25 years in business.

# Community Building

If your bank's Facebook page has highlights from community involvement, tag @TNBankers in the post to possibly get it published in *The Tennessee Banker* magazine.

**Bank of America** has supported **Memphis** this year with grants to nonprofits in the River City Capital's technical assistance program for small business owners, affordable housing provided by Habitat for Humanity for Greater Memphis, and COVID19 testing support for Christ Community Health Services.



**CapStar Bank** branches in **McMinn, Meigs, and Monroe Counties** participated in a Week of Caring, joining with United Way to help their communities collect food for Blessing Boxes, monetary donations to benefit a local food pantry, and volunteered for a day of yard work for a UW partner.



**Centennial Bank, Henderson**, sponsored the 19th Annual Tennessee Children's Home Golf Tournament with support from bank employees Neal Smith and Jinny Culpepper.



**Citizens National Bank, Sevierville**, supported charities across their footprint in September: **Seymour** branch's Dunk Your Favorite Banker to benefit Tennessee Alzheimer's Association; **Dolly Parton Pkwy and Pigeon Forge Kroger** branches partnered with a local church to collect food; **Newport Hwy Food City** branch gave supplies to Sevier Animal Care Center; while **CNB** headquarters collected shoes and DVDs for Isaiah 117 House; donated school supplies; volunteered their time at a golf tournament to support Safe Space of East Tennessee, and participated in The Race for the Rest of Us 0.5K to benefit the Trula Lawson Learning Center; and gave \$12,500 to the Boys & Girls of the Smoky Mountains to their Great Futures Campaign.





**Citizens Tri-County Bank, Dunlap,** helped charities in communities they serve by collecting and delivering pick-me-up goodie bags to a local nursing facility; and **Morrison/McMinnville** branches delivering Meals on Wheels.



**F&M Bank, Clarksville,** partnered with Susan G. Komen Central Tennessee to help create a memory tent.



Staff of branches of **The Farmers Bank, Portland,** delivered gift baskets to local schools.



**First Century Bank, Tazewell,** collected supplies for the Claiborne County Animal Shelter, including dog and cat food, treats, bleach, paper towels, toys and bags of shredded newspapers.

**Fifth Third Bank** has launched a \$1.2 million initiative to boost minority, female entrepreneurs providing a mix of grants, technical assistance, or capital infusion. The funding was divided equally among entrepreneurs in **Nashville** and each of the other six markets across its footprint.



Sarah Poss and Courtney Keller of **First Freedom Bank, Mount Juliet, Providence,** volunteered to read for Wilson County Imagination Library by recording themselves reading a book so it could be shared virtually.





# Community Building *continued*



**First Horizon Bank, Chattanooga**, has donated \$2,500 to the Chattanooga Theatre Centre.

**Home Federal Bank of Tennessee, Knoxville**, was one of the community sponsors of the MASK-erade Photo Contest benefiting the Knoxville Family Justice Center, a nonprofit that pairs advocates with survivors of domestic violence to help them find the appropriate services.



**Macon Bank & Trust, Lafayette**, sponsored a Cruise for a Cure to benefit Sherry's Run with more than 30 cars participating and raising over \$1,000. The route ended at The Macon Drive-In showing Smokey and the Bandit.



**Peoples Bank of the South, LaFollette**, sponsored a hole at the Great Smoky Mountain Boy Scout Council golf tournament to raise money to support scouting in Campbell and Anderson Counties.



**Citizens Savings Bank and Trust Company, First Horizon Bank, Regions Bank, Renasant Bank**, provided support of a locally produced PBS documentary "Facing North: Jefferson Street, Nashville."



Relay for Life campaigns: **Bank of Lincoln County** joined with Fayetteville Lincoln County for community for Lights of Hope Luminaria Walk Celebration in a city park after sunset; **Commercial Bank, Harrogate**, bank team created a video "Why We Relay Wednesday" and sold Abby's Warrior T-shirts to honor of a staff member with the disease; and **First Century Bank, Tazewell** hosted a yard sale at the bank to raise funds for Claiborne County Relay for Life.



**Gallatin** branch offices of **Reliant Bank** created banking related Halloween displays: **East Main Street** branch's display illustrated "Don't Bury Your Money; Bring It to Us!" and **Nashville Pike** branch's display illustrated "The Monopoly Banker."



**Wilson Bank & Trust, Lebanon**, held a virtual pumpkin decorating contest with a \$100 prize as part of their 2020 Oktoberfest.



Pictured is Brooke Littell of **Southern Heritage Bank, Cleveland**, presenting a \$1,000 check to Tammy Johnson of Habitat for Humanity.



# Featured Events

**NOVEMBER  
18**

## **CURRENT STATUS OF THE ABILITY TO REPAY/ QUALIFIED MORTGAGE RULES**

**Virtual-only**

Registration Deadline: November 17

TBA Member/Associate Member Registration: \$305

TBA Contact: Sheena Frech, [sfrech@TNBankers.org](mailto:sfrech@TNBankers.org)

The Ability to Repay/Qualified Mortgage (ATR/QM) rules have been in use for six years. During that span the rules have been rocked by constant change. This two-hour webinar provides a comprehensive review of all the ATR options, including the existing and new QM options. The new EGRRCPA rules receive special attention. The program helps you decide whether changes are needed or if the status quo is acceptable.

**JANUARY  
26 & 27**

## **FUNDAMENTALS OF COMPLIANCE**

**Virtual-only**

Registration Deadline: January 25

TBA Member/Associate Member Registration: \$540 (Both Days)

TBA Contact: Penny Powlas, [ppowlas@TNBankers.org](mailto:ppowlas@TNBankers.org)

*The Fundamentals of Compliance* program is a two-day comprehensive review of the most important compliance regulations. It is divided into two parts to permit bank personnel to attend either one or both days.

The first day covers deposit area issues: right to Financial Privacy Act, Reg D, Reg Q, Electronic Funds Transfer (Reg E), Expedited Funds Availability (Reg CC), Taxpayer Identification Numbers, and Truth-in-Savings Act (Reg DD).

The second day focuses on lending area issues: Equal Credit Opportunity (Reg B), Fair Credit Reporting, Fair Housing, Home Mortgage Disclosure Act, Credit Practices Rule (Reg AA), Flood Disaster Protection, RESPA, and Truth-in-Lending (Reg Z).

# Interactive Teller Machine before there was such a thing



**When it was payday, customers filed in First National Bank of McMinn County in Athens to deposit or cash their checks.**

And when the line got too long, some customers would be directed to hop back in their car, and say “hi” to Becky Hennessee who would help them at the bank’s TV Drive-In window.

Hennessee, pictured with bank president Lawrence Roseberry, operated the new TV customer service inside the bank building. It was used to expedite service when the work load at the bank’s two other service windows became heavy. 📺

Originally published in *The Tennessee Banker* in October 1969.



# Professional Development Calendar

Due to the COVID-19 pandemic, TBA will offer virtual programs in place of in-person events through the rest of the year. Visit [TNBankers.org/calendar](https://TNBankers.org/calendar) for specific event information and for the most up-to-date changes to the education calendar.

## 2020

### ● November 17–19

Opening New Accounts  
Virtual

### ● November 17

Loan Assistant and Loan Processor  
Workshop  
Virtual

### ● November 18 **WEBINAR**

Current Status of the ATR/QM Rules  
Online

### ● December 1

2020–2021 Senior Compliance Officer  
Forums, Session 1 of 4  
Virtual

## 2021

### ● January 20, 21, 22

2020–2021 Senior Lender Forums,  
Session 2 of 3  
TBA Gilliam Board Room, Nashville

### ● January 26, 27, 28

CEO Forums, Session 1 of 3  
TBA Gilliam Board Room, Nashville

### ● January 26 & 27

Fundamentals of Compliance  
Nashville, TBA Barrett Training Center

### ● February 2

2020–2021 Senior Compliance Officer  
Forums, Session 2 of 4  
TBA Barrett Training Center, Nashville

### ● February 10

Legislative Reception  
Renaissance Nashville Hotel, Nashville

### ● February 11 & 12

Credit Conference  
Omni Hotel, Nashville

### ● February 17, 18, 19

CFO/Controller Forums,  
Session 1 of 3  
TBA Gilliam Board Room, Nashville

### ● February 18 & 19

IT/Operations/Information Security Officer  
Forums, Session 1 of 3  
TBA Barrett Training Center, Nashville

### ● February 24 & 25

Essentials of Commercial Lending  
TBA Barrett Training Center, Nashville

### ● March TBD

Compliance Conference  
Location TBD



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# Proven Solutions Provided by Your Trusted Partner

For over 36 years, FNBB's focus has been helping community banks gain and maintain a competitive edge by providing resources that maximize opportunity and minimize risk. As your trusted partner, you can depend on us to continue providing innovative products and services to help you grow your business and increase profits.

FNBB's full range of correspondent and investment products and services are designed to expand your capabilities and help you adapt to ongoing changes in the banking industry.

## **Deposit Operations Services**

- Cash Management Services
- Image Check Exchange
- International Services
- De Novo Services

## **Lending Services**

- Holding Company Loans
- Loan Participations
- Director Loans
- Interest Rate Swaps

## **Audits / Reviews**

- Compliance Services
- Internal Audit
- IS Audit
- Loan Review

## **Investment Services**

- Asset Liability Management
- Sales/Trading
- Safekeeping
- Portfolio Accounting

## **FNBB Capital Markets, LLC**

- Retirement Benefit Plans
- Bank Owned Life Insurance

## **FNBB Insurance Agency, LLC**

- Insurance Products
- Consulting Services

FNBB Capital Markets, LLC services are offered through an affiliate FINRA broker dealer.  
FNBB Services Corp. is not a CPA firm and does not engage in the practice of public accounting..  
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